



November 2014 - LP3 (Cash) Investor Update

As you know from my previous update, the last major remaining asset, the 84 unit building in Camrose, AB was conditionally sold. The buyer has waived conditions last week and as such we expect this transaction to close by December 15, 2014. We will then send the remaining funds of approx. \$3250/LP3 unit to you as soon as possible, possibly as early as January 2015 due to Christmas and associated paperwork for RRSP investors and non-residents.

LP3 owns three assets as of today:

- The large 84 unit Camrose asset – now unconditionally sold – with approx. \$4.4M in equity.
- Two small lots subdivided off one of the Yorkton apartment properties before the sale. We will likely sell these lots to close LP3 as the small value doesn't justify another year of holding and associated paperwork.
- Cash of approximately \$180,000

We sent you \$750/LP3 unit recently (less for non-resident investors or RRSP investors). If you have not received this, please contact us ASAP. There are 1208 LP3 units outstanding. The LP3 distribution history looks like this :

Investor Distributions Paid / Paying			
	Year	Per LP3 Unit	Notes
\$ 227,625	2007	\$ 188.43	Some LP3 investors received less that year depending on when they invested
\$ 151,000	2008	\$ 125.00	
\$ 422,800	2009	\$ 350.00	
\$ 120,800	2010	\$ 100.00	No distribution in 2011
\$ 240,160	2012	\$ 200.00	
\$ 362,400	2Q 2014	\$ 300.00	
\$ 1,524,785	TOTAL to 3Q 2014	\$ 1,263.43	Different for RRSP investors – see RRSP investor update
	Recent 4Q 2014 Payout:	\$ 750.00	

We will thus wind up LP3 profitably, albeit not very profitably, as we had to hold through the

biggest worldwide recession since 1929, with associated vacancies, especially in Wetaskiwin and Camrose, negative cash-flow and property upgrades that ate deeply into the cash from operations for about a good two years.

What it shows you though is that time heals all wounds if you can hold long enough to pay down the mortgage and improve revenue and thus, property values. It shows the resilience of the asset class, even in times of recessions. Holding longer would make us more money, as rents go up with recovering gas prices and newly announced expansion plans of Camrose based firms, and a low CMHC mortgage.

Unlike our two recent LPs, PRISM A and Kings Castle LP, LP3 like LP4 has no early or partial redemption options, and as such we will all exit together. We learned from this and allowed partial or early redemptions in the currently open LP, Kings Castle, as some folks even in LP3 would have loved to continue and others would prefer to get out. This option does not exist in LP3, but it does in our current apartment centric investment offering.

Detailed LP3 information is on the investor login section of the website that you can access with the login User-ID: LP3 and password: poplargocestates As always, please feel free to call or email Scotty, Mike, Christine or me to discuss this investment or any other in more depth.

Yours Sincerely & Successful Investing!

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PSS [Kings Castle LP](#) is our current LP and open for investments. Very similar to PRISM A LP in terms of target ROI, profit sharing, fees, cash-flow or DRIP, investment focus and management. Now also available with a 5% cash-flow option for RRSPs or TFSAs !

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